



MINUTES
BOARD OF DIRECTORS MEETING
Thursday, March 27, 2025 – 10:30 AM
Warneck Pump Station
James W. Wright Conference Room
23557 NYS Rt 37, Watertown, New York

The Development Authority of the North Country Board of Directors met in regular session in person and via Zoom Videoconference at the Warneck Pump Station, 23557 NYS Rt 37, Watertown, New York on Thursday, March 27, 2025 at 10:30 AM.

Members Present

Voting

Margaret Murray, Chairperson*
Mary Doheny
Alex MacKinnon
Dennis Mastascusa
Kenneth Bibbins*
Mark Hall
Thomas Hefferon
Eric Virkler

Non-Voting

Nancy Henry
Steve Hunt
Brian McGrath*

Members Absent

*Attended via videoconferencing

*Attended using audio only, unable to vote

Staff Present:

Carl Farone, Executive Director
Jennifer Staples, Chief Financial Officer
Stephen Bohmer, Director of Information Technology
Michelle Capone, Director of Regional Development
Thomas Haynes, Director of Engineering
Jacqueline LeClair, Assistant Director of Telecommunications
Laurie Marr, Director of Communications and Public Affairs
Brian Nutting, Director of Water Quality
Shawn Thornton, Director of Materials Management
David Wolf, Director of Telecommunications
Angela Marra, Executive Assistant
Tonya Watson, Administrative Associate

Guests:

Jennifer Granzow, Counsel, Wladis Law Firm

1. Vice Chairperson Doheny called the meeting to order at 10:30 AM.
2. Vice Chairperson Doheny requested a roll call.
 - A quorum of voting and non-voting members was established.
3. Privilege of the Floor -
4. Upon a motion by T. Hefferon and seconded by M. Hall, the minutes from the February 27, 2025 Board Meeting were unanimously approved.

5. Vice Chairperson's Report

- a. Authority staff will mail three documents, Confidential Evaluation of Board Performance, Executive Director's Annual Performance Review, and Ethics Policy – Disclosure of Outside Interests. These will be mailed with stamped return envelopes and will be kept confidential. C. Farone requested that the forms be completed and returned by April 18th.

C. Farone further requested that when noting "deficient" on the "Confidential Evaluation of Board Performance" or "Needs to Take Action to Improve" on the "Executive Directors Annual Performance Review" that justification be provided for the ranking. This will provide valuable data in implementing corrective actions to improve in the future.

M. Doheny reminded the Board, that as policy makers of the Authority, they are required to complete the annual financial disclosure by May 15. C. Farone stated all should be receiving an email.

- b. The next scheduled Board meeting is on May 29th at 10:30 AM.

6. Executive Director's Report

- a. Mission Statement and Performance Measurements –
C. Farone explained that the Board of Directors is annually required to adopt the Mission Statement and Performance Measurements. He read through each of these for the Board, and stated that both are seen as sound and there are no suggested edits at this time.

Upon a motion by T. Hefferon and seconded by D. Mastascusa, the Mission Statement and Performance Measurements for FYE 2026 were unanimously approved.

- b. Authority Bad Debt -

C. Farone explained that each year at the annual meeting the Board of Directors authorizes the write-offs of accounts that staff have deemed uncollectable. This year we are not seeing any bad debts from accounts receivable or a loan receivable perspective.

c. Telecom – Action & NCTP Telemedicine Networks –

C. Farone explained that the Authority provides services to a 61 telemedicine network known as ACTION and the NCTP networks, with the Fort Drum Regional Planning Organization (FDRHPO) as administrator of both. An RFP is put out for these services every three years. The Authority responded and was awarded the three year contract to continue providing services to the ACTION and NCTP networks.

d. Army Water Line - \$750,000 Federal Grant –

C. Farone explained that the Authority has not yet received the \$750,000 grant funding we have been awarded. We contacted the EPA and they were very clear that the funding is intact and they are still processing applications. At this time, they are looking into our environmental review aspect of the project but have assured us that the awards have not been rescinded.

e. Next Move NY Logo –

C. Farone reported that an MWBE consulting firm, BBG&G, was hired and developed several options for the logo. Steve Hunt, Executive Director of the North Country Regional Economic Development Council, and Jim McKenna, the council co-chair, were involved in the review of the various options. The two Next Move NY staff are also veterans and felt the logo presented today to be the best option from a military perspective. B. Cruz is quoted as stating “it really identifies with the officers by virtue of the star, as well as with enlisted personnel with the yellow chevron also representing forward momentum, leadership and unity. The design synchronizes the officer and the enlisted to emphasize the shared mission in mutual support, reinforcing the program’s commitment to transitioning soldiers, military spouses, and veterans from all ranks within the military or the army.” The result is a very simple, clean, streamlined look and we hope the Board likes this as well. Several Board members commented that it looked sharp and impressive.

f. Staff Updates –

D. Merrill, our control engineer, having also worked at the center of the SCADA network, supervisory control, and data acquisition, will be retiring after 17 years of service with the Authority. Dan has been mentoring Josh Newtown for three years, and has agreed to work part-time to help ensure things run smoothly.

M. Hall commented that he worked with Dan extensively on his water system upgrade SCADA system and he is very professional and very knowledgeable. M. Hall stated he appreciated all the help Dan provided him. While M. Hall wishes him well in his retirement, he is also happy to know that he is going to stay on part-time to help.

C. Sullivan, Materials Management Equipment Operator, has earned a 15-year Longevity Service Award.

S. McConnell, Water Quality Senior Operator, has been re-elected mayor of the Village of Theresa.

7. Financials –

a. Finance Report – Chief Financial Officer

J. Staples reviewed the January year-to-date financials. The Statement of Net Position reflects the changes from fiscal year 24 against the January year-to-date numbers. Changes between assets and total liabilities, including deferred outflows and net position, is an increase of \$7.6 million from FY24 year-end. The two main changes in the asset category are Loan Receivables, which increased by \$2 million as the Regional Development group continues to loan funds, and Capital Assets, which increased by \$4 million of which \$3.7 million is associated with the Army Sewer Line rehabilitation project. Under Liabilities, Long-term Liabilities increased by \$4.4 million over last year, with \$4.2 million associated with additional funds drawn for the Sewer Line Pipeline rehabilitation project. Under Net Position, the reserve for the liner increased from FYE24 to January year-to-date by \$2.1 million. This is adding funds to the reserve in order to fund upcoming new cells at the landfill. The Landfill Gas Reserve has been reduced year-to-date by \$1.3 million, and will be drawn to \$0 to fund phase one of the extraction wells, tying in the southern expansion to the existing collection system as well as replace the flare. Once this reserve has been drawn to zero, funding for this project will come from the Replacement Reserve.

Under Change in Net Position for all units, Total Operating Revenue is running lower than the year-to-date budget by \$2.9 million. Grant Revenue was the largest category under budget by \$2.3 million. Telecom Grant Revenue is under budget by \$817,000, and as of the end of January, Telecom has received \$1.1 million of revenue from the NTIA Grant with another NTIA draw request being completed soon. Also under Grant Revenue is the Army Water Line that has a year-end budget of \$5 million in grant revenue associated with the Army Water Line pipeline replacement project. We will be recognizing this grant revenue as most funding will hit our books in February and the balance in March, resulting in a total of \$5 million being received from this grant by the end of this fiscal year. Customer Billings is under budget by \$640,000 associated with the landfill. Projected tonnage for January year-to-date was 198,954, versus the actual tons received of 189,846, which is under budget by 4.5% mainly due to C&D and contaminated soil.

Looking at Operating Expenses, overall operating expenses are under budget by \$2.2 million. This is associated with three categories; Depreciation and Amortization, Operating and Maintenance Expense, and Professional Fees. Depreciation and Amortization is under budget year-to-date by \$596,000, \$314,000 is due to MMF, and this is mainly associated with the articulated hauler that we anticipated purchasing early in FY25, but have experienced delays in building this piece of equipment. Additionally, this piece of equipment will not be capitalized until we actually receive it. Operations and Maintenance is under budget by \$406,000. All divisions are under budget in this category, but the two largest are Landfill Fuel Expense, which is under budget by \$121,000, and Telecom Off-Net Circuit Lease expense which is under budget by \$97,000. Professional Fees in under budget by \$321,000 with the two largest variances being under MMF by \$133,000 mainly in carbon credit

expense. The 2023 carbon credit verification process will not be completed in this fiscal year as originally anticipated, but we do expect to finalize the sale of these credits in FY26, which will be when we experience the largest costs, associated with the sale of these credits. Next Move NY is also under budget by \$149,000 under Consulting Fees and we have no cost incurred through January year-to-date under this item.

Under Non-Operating Revenue, Total Non-Operating Revenue and Expense is over budget by \$1.4 million. Total Interest Income is over budget by \$1.5 million year-to-date. Actual Interest Income year-to-date is \$2.6 million and the market adjustment is a positive \$922,000, adding up to the January year-to-date Interest Income of just under \$3.5 million. Market Adjustments are not a realized gain or loss, unless we were to pull the money out of the investment early.

In summarizing the change in net position, there was a year-to-date gain of \$1.2 million versus the year-to-date budgeted gain of \$523,000.

B. McGrath asked if Customer Billings under Operating Income has typically been off by 3.5% or if this was growing month to month. He continued by specifically asking about C&D and soil because there was an uptick in the decrease in Customer Billings on a month-to-date basis that could be an indicator of broader economic conditions. J. Staples responded that from the beginning of the fiscal year up until the winter months we were actually ahead in tons. We started to notice a decrease during the winter months in areas such as C&D and contaminated soil which is typical because spring, summer and fall are the construction seasons. Municipal solid waste continues to do well and is actually over budget. S. Thornton added that we experienced particularly heavy snow on the Tug Hill during January, February and the beginning of March which impacted construction and would play into the reduction of contaminated soil and C&D.

M. Hall asked if we had experienced any rescinded or recalled grants, or does everything seem to be okay at this point in time. J. Staples replied that everything seems to be okay at this point and we have not been notified of any grants that are being rescinded.

Upon a motion by M. Hall, and seconded by E. Virkler, financials ending January 31, 2025, were unanimously approved.

8. Governance –

- a. Resolution No. 2025-03-20, approves the Personnel Policy, as attached and incorporated in the resolution.

C. Farone reviewed the changes to the policy, to include prohibiting holding in-person meetings at an employee's personal residence and expanding the definition of employees.

M. Hall asked if meetings at an employee's residence was a developing problem. C. Farone replied that he obtained knowledge that it had happened and felt that it isn't the best practice to have meetings at someone's home.

M. Hall asked if there was an opportunity for someone to be hired on a part-time basis and something change throughout the year resulting in them working fewer than 1,560 hours. C. Farone responded that it does happen, and the policy change was made in an effort to clear up the benefits section of the policy. An example would be someone who begins as part-time but ends up working over 1560 hours over the next 12 months resulting in them being eligible for Authority health insurance based upon federal regulations. M. Hall asked if this was retroactive or moving forward. C. Farone responded this was moving forward, and this was further cleared up within the revisions added defining full-time, part-time, temporary and on-call employment.

K. Bibbins asked about the language added that indicated overtime would be considered part of the salary setting, because he read that to mean at the time of hiring and he wanted to confirm that the overtime eligibility is solely based on how we interpret the job assignment. He further asked about an instance where overtime could come into play, such as if an internal employee was eligible for promotion would we consider their past over-time earning history as part of deciding their compensation for the promotion, or are there difficult to fill positions where we would intentionally leave them hourly. C. Farone responded that when an employee is promoted to a new position their pay increase will be determined by several factors. If someone is hourly and transitioning to salary through a promotion, we look at the rate of their new pay in relation to their subordinates, the alignment of their salary with the minimum range of the new position, and at current overtime. We may not be able to make the employee entirely whole, but if we have an employee making a larger wage which includes overtime and they may be taking a pay cut because of the loss of overtime, we do consider this during the evaluation of that promotion.

Upon a motion by M. Hall and seconded by D. Mastascusa, Resolution No. 2025-03-20, Approving Modifications to Personnel Policy, was unanimously approved.

- b. Resolution No. 2025-03-21, approves the Fleet Management Policy, as attached and incorporated in the resolution.

In reference to the only major policy change that added the requirement that all Authority owned vehicles will be equipped with GPS units and forward-facing cameras, M. Hall asked if the cameras will have sound with the capability of hearing conversations. J. Staples replied it does not. C. Farone stated that many kinds of technology were available, but we determined that the forward facing would suffice.

Upon a motion by E. Virkler and seconded by M. Hall, Resolution No. 2025-03-21, Approving Modifications to Fleet Management Policy, was unanimously approved.

9. Finance –

- a. Resolution No. 2025-03-22, authorizes professional services contracts as identified on Schedule A within this resolution. Furthermore, it is resolved this resolution shall take effect immediately.

Upon a motion by T. Hefferon and seconded by D. Mastascusa, Resolution No. 2025-03-22, Authorizing Professional Services Contracts, was unanimously approved.

M. Hall commented that standardization is efficient, but there may be something new out there that could also be beneficial and we should always look at that with an open mind.

- b. Resolution No. 2025-03-23, authorizes the standardization of computer software programs as identified on Schedule A within this resolution. Furthermore, it is resolved this resolution shall take effect immediately.

Following his review of the computer software programs, C. Farone stated that we always evaluate to see if there is something better available, citing that this year we switched from Linxup to Motive.

A. MacKinnon asked about a cell phone situation happening now regarding the Signal App. C. Farone and S. Bohmer both commented that they have not seen anything about this being a current problem.

Upon a motion by E. Virkler and seconded by D. Mastascusa, Resolution No. 2025-03-23, Authorizing Standardized Computer Software Programs, was unanimously approved.

E. Virkler asked if we are doing anything with New York State security resources and information security through the Department of Homeland Security. He further stated that the Lewis County IT department has told him about the great programs being provided by the New York State Homeland Security to municipalities for free. S. Bohmer replied that he has investigated these, but we are already doing this through a third party and while this testing may be free, he feels it is better to keep our shared information to a minimum. J. Staples commented that the state does provide the Authority with information such as notifications when there are issues, along with warnings when something has happened. S. Bohmer stated that he is tapped into this information and receives emails daily regarding manufacturers and identified vulnerabilities. He double checks this information with the third party we have hired to ensure it is not affecting us, as well as double checking our systems himself. J. Staples confirmed we have not had any breaches since January of 2018.

- c. Resolution No. 2025-03-24, authorizes the standardization for purchases of certain classes of equipment for use in the Materials Management Division, as defined in Schedule A within this resolution, as necessary for construction or operational activities, and will provide economic and efficiency benefits, and is

therefore in the best interests of the Authority. Furthermore, it is resolved this resolution shall take effect immediately.

C. Farone stated that it is a goal of the Authority to look globally across all divisions and have commonality in equipment so we can have a common platform with staff trained on one piece of equipment or technology and cross-train at the different facilities.

As an example, T. Haynes shared in reference to looking to see what is new on the market, we have used a specific wellhead to control the flow of gas for many years. During a recent project, a vendor provided the Authority with several samples and the staff found one they liked better that we are now in the process of transitioning to.

Upon a motion by D. Mastascusa and seconded by M. Hall, Resolution No. 2025-03-24, Standardizing Upon Certain Equipment for Use in Relation to the Material Management Division, was unanimously approved.

- d. Resolution No. 2025-03-25, authorizes the standardization for purchases of certain classes of information technology and telecommunications equipment for use in the Telecommunications Network, as defined in Schedule A within this resolution, as necessary for construction or operational activities and will provide economic and efficiency benefits, and is therefore in the best interest of the Authority. Furthermore, it is resolved this resolution shall take effect immediately.

Upon a motion by T. Hefferon and seconded by D. Mastascusa, Resolution No. 2025-03-25, Standardizing Upon Certain Equipment for Use in Relation to the Telecommunications Division, was unanimously approved.

- e. Resolution No. 2025-03-26, authorizes the standardization for purchases of certain classes of equipment for use in the Water Quality Management Division, as defined in Schedule A within this resolution, as necessary for construction or operational activities and will provide economic and efficiency benefits, and is therefore in the best interests of the Authority. Furthermore, it is resolved this resolution shall take effect immediately.

Upon a motion M. Hall and seconded by E. Virkler, Resolution No. 2025-03-26, Standardizing Upon Certain Equipment for Use in Relation to the Water Quality Management Division, was unanimously approved.

10. Technical Services Summary Report –

a. Non-Lewis County Contracts –

- I. Village of Constableville, Technical Services Agreement, NBRC Grant Administration (AP-NBRC-155) Water Improvement Project and Streetscapes Improvements, Total Agreement Amount of \$55,525, 4/1/25 – 12/21/26, Lewis County

- II. Northern Area Health Education Center, Technical Services Agreement, NBRC Grant Administration (AP-NBRC-136) Workforce development to increase number of healthcare professionals in region, Total Agreement Amount of \$5,558, 4/1/25 – 12/21/26, St. Lawrence County
- III. Village of Theresa, Technical Services Agreement, 60-142 Wastewater Disinfection Project, Total Agreement Amount of \$68,000, 4/1/25 – 12/31/26, Jefferson County
- IV. Village of Alexandria Bay, Technical Services Agreement, 60-429 Rate Study, Total Agreement Amount of \$29,500, 4/1/25 – 12/31/25, Jefferson County
- V. Village of Carthage, Technical Services Agreement, Construction Phase fiscal administration services for Carthage WPCF Capital Project, Total Agreement Amount of \$12,000, 4/1/25 – 12/31/26, Jefferson County

B. McGrath requested clarification regarding Constableville being located in Lewis County, but being listed within the Non-Lewis County Contracts portion of the Summary Table. C. Farone explained that the Lewis County Contracts portion of the Summary Table is designated for contracts specifically between Lewis County and the Authority, not town and villages within the county, and is broken out for E. Virkler's ethics purposes as he currently serves as Lewis County Treasurer.

Upon a motion by M. Hall, and seconded by D. Mastascusa, Board Contract Summary Table items numbered I through V for the month of March were unanimously approved.

11. Water Quality –

- a. Resolution No. 2025-03-27, authorizes and directs the Executive Director to enter into Amendment No. 2 to the Water Service Agreement with the Town of LeRay.

Upon a motion by D. Mastascusa and seconded by T. Hefferon, Resolution No. 2025-03-27, Amendment No. 2, Water Service Agreement, Town of LeRay, was unanimously approved.

M. Hall asked if this is a permanent or temporary solution. B. Nutting responded that right now this is permanent, however if they fix their wells and would like to change this, we will do another amendment.

12. Regional Development –

- a. Loan Report –

M. Capone reported that most of the loans on our portfolio are being paid as agreed, or are within 30 days and do not raise any concerns.

In terms of the North Country Economic Development Fund, there are two loans past due. These are New York Power Authority Funds, and the North

Country Economic Development Board did meet and extended the two loans that ballooned in the fall of last year. They are currently in a workout solution, and anticipated to be brought current before April 1.

- b. Resolution No. 2025-03-28, authorizes a revolving loan in the amount of up to \$1,000,000 from the Economic Development Fund, with the Authority's portion not to exceed \$500,000 to the Massena Arts and Theater Association Inc. at the terms and conditions outlined on the Term Sheet attached to the resolution, and further authorizes the Executive Director or Chief Financial Officer to execute all documents necessary to make this loan. Furthermore, this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

Upon a motion by E. Virkler and seconded by T. Hefferon, Resolution No. 2025-03-28, Economic Development Fund, Massena Arts and Theater Association Inc., Loan 2, was approved. K. Bibbins abstained, citing this project will likely need a permit from his employer.

- c. Resolution No. 2025-03-29, ratifies the grant/loan commitment in the amount of up to \$200,000 (\$100,000 loan/\$100,000 grant) from the North Country Redevelopment Fund to the St. Lawrence County Industrial Development Agency at the terms and conditions outlined on the Term Sheet attached to this resolution and consistent with the Empire State Development program requirements, and further authorizes the Executive Director or Chief Financial Officer to execute all documents necessary to make the loan. Furthermore, this is considered a Type II Action under the State Environmental Quality Review (SEQRA) and is considered an exempt activity requiring no further action.

M. Capone shared that Jim McKenna recently joined this committee, replacing Donna Wadsworth as one of the regional representatives. Jim McKenna, Steve Hunt and Mark Hall serve on this committee, and M. Hall did abstain from that discussion as a member of the St. Lawrence County Industrial Development Agency.

Upon a motion by D. Mastascusa and seconded by E. Virkler, Resolution No. 2025-03-29, North Country Redevelopment Loan Fund, St. Lawrence County Industrial Development Agency, Ratifying Loan, was approved. M. Hall abstained.

13. Report of the Nominating Committee

T. Hefferon, as the chair of the nominating committee, reported that the nominating committee, consisting of himself, M. Hall, E. Virkler, K. Bibbins and B. McGrath, proposed for the year starting April 1, 2025 ending March 31, 2026, the following slate of officers:

Chair – Margaret L. Murray
Vice Chair – Mary R. Doheny
Secretary – Dennis M. Mastascusa
Treasurer – Alex A. MacKinnon

Upon a motion by T. Hefferon, and seconded by M. Hall approving the nomination of officers for the Fiscal Year 2025-2026, was unanimously approved.

14. Authority Board Meeting Dates – FYE 2026

C. Farone shared the proposed meeting dates for FYE 2026. This will follow the same schedule on the 4th Thursday of the month, with the exceptions of May 29th, on the 5th Thursday, to avoid conflict for two Board members also on the APA board and December 18th, on the 3rd Thursday, in an effort to work around the holiday. The Budget Work Session, a Finance and Budget Committee Meeting open to the full Board, was proposed on Wednesday, February 12th to avoid another conflict with the APA. E. Virkler, Chair of the Finance and Budget Committee, indicated that date would be difficult for him so this meeting was moved to Monday, February 9th.

M. Doheny stated Angie [Marra] would send the finalized calendar to the Board Members.

A. MacKinnon asked about the previous topic of consolidating Authority meetings at Warneck as opposed to someone's home, sharing that he lives 45 minutes away resulting in two hours of driving to attend today's meeting. We have Water Quality staff in Massena that would result in four hours driving time to attend a meeting. Because of this, he can understand holding a meeting in Canton, but also understand the control over who is where. He asked if there was a way of coordinating some activity in a different way that would allow employees to get together for a particular reason in an alternate place if it were arranged properly. C. Farone responded that the Authority does have an office location in Canton for Authority staff, as well as plants in other locations, such as Ogdensburg, that could be used as meeting locations. There are many other facilities within the three-county region that we could utilize to hold a staff meeting so everyone wouldn't need to drive to Watertown. C. Farone stated the main concern was the action of holding a meeting at someone's home, offsite meetings are acceptable and will continue to be done at other locations to prevent unnecessary travel.

B. McGrath clarified that today's Audit Committee meeting would begin at 12:30 PM, allowing for a break between meetings. C. Farone replied yes, for those on the Audit Committee.

15. Adjourn -

- a. Upon a motion by T. Hefferon and seconded by E. Virkler, the meeting was adjourned at 11:42 AM.

Respectfully submitted,



Dennis Mastascusa
Board Secretary